

# Memorandum

TO: The Senate and Assembly Select Committees on Clean Energy

FR: The Coalition for Clean Energy:

Wisconsin Council of Churches

Citizens Utility Board

Clean Wisconsin

Wisconsin Community Action Program (WisCAP)

Environmental Law & Policy Center

Environment Wisconsin

Midwest Environmental Advocates

Physicians for Social Responsibility

Sierra Club, John Muir Chapter

Wisconsin League of Conservation Voters

RE: Priorities for improvements to the CEJA (SB 450 and AB 649)

We want to again thank Senators Miller and Plale and Representatives Black and Soletski for all their hard and diligent work over the past year to complete this historic bill draft that has the potential to create thousands of clean energy jobs, lower energy bills for home owners and businesses and begin to make significant intentional reductions of greenhouse gases.

We want to make sure that you understand our priorities for both improving this bill draft and for protecting the many important policies embodied in this draft.

First and foremost, we want to convey the context in which we view these priorities for potential changes to the draft going forward. In our view the draft already reflects a significant compromise from the Global Warming Task Force (GWTF) recommendations. The most important example of this compromise is the lack of any directive to regulate greenhouse gas (GHG) emissions. While we can all agree that it is critical for Congress to adopt comprehensive

GHG regulations the GWTF recommendations clearly call on Wisconsin to “provide leadership in the development of a Midwest cap and trade program.” Yet the draft does not include any directive to the state to take steps toward participating in such a regional regulatory program.

Nonetheless, the draft is very comprehensive in its promotion of clean energy technologies and a critical step towards making the GHG emission reductions recommended by the GWTF. In order to make even half the reductions recommended, and in order to maximize the job creation and economic recovery benefits of the legislation, we respectfully offer the following priorities for strengthening the bill draft:

1. Restore and protect the integrity of the Renewable Energy Standard (RES) (Renewable Portfolio Standard – RPS – in the current draft). The draft has at least four obvious compromises to the definition of the RES already. We hope to eliminate the most egregious and unnecessary of these (e.g. thermal output from coal-fired cogeneration facilities, burning of municipal solid waste, geothermal), and obviously place the highest priority on not weakening that definition further (e.g. allowing any more efficiency to count towards the RES).
2. Strengthening the language to ensure that Wisconsin does meet the 2 percent energy efficiency goal by **requiring** the Public Service Commission to direct efficiency investments necessary to reach that 2 percent goal. This is also consistent with what the GWTF recommended.
3. Increase the percentage of renewable energy that must be sited in Wisconsin to at least half of renewable energy generation required under the bill (i.e. 12.5% in 2025). This is extremely important in making sure that this legislation really does create as many clean energy jobs as possible, and is especially helpful in promoting good-paying, component manufacturing jobs.
4. Give state agencies more directive, and stakeholders more certainty, in developing a low-carbon fuel standard (LCFS) by including the specific standard, or target, or reducing carbon in our fuels by 10 percent 2020 (as the GWTF recommended); and remove the requirement that a majority of the Midwest Governors need to approve the Midwest Governor’s Model LCFS rule when it is developed. Both of these changes are consistent with what the GWTF recommended.
5. Ensure that those most vulnerable in our society are protected by including provisions which protect Wisconsin’s low-income public benefits program from any future funding ‘raids’ and make whole its commitment to energy self-sufficiency for low-income households, particularly in rural areas, by expanding the bill’s provisions to include LP gas and heating oil users in energy efficiency programs to also include low-income programs.
6. Implement the Transportation Workgroup recommendation that WisDOT grant financial assistance to communities that are implementing walkable, compact community design standards.

7. Inclusion of additional task force recommendations related to land-based activities (Forestry and Agriculture) that result in carbon sequestration (storage) and/or reduced ghg emissions.
8. Strengthen the Advanced Renewable Tariff (ART) language by making it apply statewide and by including a statewide minimum MW cap and a minimum project size cap.
9. Include labor standards and local hire requirements for the RES, ARTS, and certain energy efficiency policies as well as job training programs and investments consistent with the GWTF recommendations. This is critical to maximizing the number of good quality, family-supporting jobs created by this legislation.

Additionally, the bill misses the opportunity to implement the following GWTF recommendations that we feel should have been included:

1. Enhanced water efficiency and conservation
2. Recovery of untreated wood wastes
3. Enhanced statewide recycling
4. Landfilling of food wastes
5. Forest Legacy Program

Thank you for your time and consideration of these important policies, and we look forward to working with you to make this the strongest legislation possible for Wisconsin.